

## A letter from John Gallagher



John Gallagher

I believe refineries are beautiful, but I know not everyone in the community sees them the same way. Clearly, it is a matter of perspective. That said, I hope you will appreciate the new refinery office building that we're moving into in mid-December.

Located at the corner of Brighton Boulevard and York Street in Commerce City, the Refinery Business Center is built to LEED (Leadership in Energy and Environmental Design) standards of environmental design. LEED-certified buildings are designed to be healthier and safer for the people who will be working there, conserve energy and water, reduce greenhouse gas emissions, and reduce waste sent to landfills. The building will not only be good for our people, but also good for the environment.

At the same time, we are investing in the community. You'll see we've upgraded the roadways and main intersection by

the building, including new curbs and landscaping.

Throughout construction, we've been in touch with many of our affected neighbors and have worked closely with the city and community to minimize the disruption to you. I think you'll be pleased with our results.

In the new year, once we are settled in, we're planning an open house to show off the new building. I hope you will come by and say hello.

### Maintenance is wrapping up

Maintenance activities have been going on in our Plant 2 this fall and should be completed in November.

We call this regularly scheduled maintenance a 'turnaround,' and it takes place every three to five years in the various parts of the refinery. With staggered timing, that basically means that in any given year, we're planning the next turnaround, conducting one, or analyzing the last one and discussing how we can do the next one better.

A turnaround is a key part of safe, reliable operation and effective environmental performance. It's a complex project that brings as many as 1,200 additional people on our site. While that's good for the local economy, we recognize that it may also cause some disruption to the community,



Suncor's new Refinery Business Center is near completion. Employees are scheduled to move in to the building in mid-December.

and we have done our best to minimize any impacts.

I'd like to express my appreciation to all the employees working to make this a safe and successful turnaround, and to the community for your patience and support.

### Update on Sand Creek

While all this construction and maintenance activity has been taking place, we also continue to work very hard on remediation, prevention and protection at Sand Creek.

We're committed to making this situation right and are working with the city, government regulators, environmental agencies and neighbors to do so. We're seeing positive results with the systems we've installed and steps we've taken, and will continue to monitor progress.

As always, we endeavor to keep our key stakeholders posted on what we're doing and give you a chance to be part of the process. Please let me know how we're doing.

Sincerely,  
John Gallagher  
vice president, refining U.S.

## Recent achievements demonstrate safety leadership at Suncor

### Commerce City refinery celebrates 3 million hours of working safely

In August, kudos went out to all employees and contractors at the refinery for working 3 million hours without a lost time incident since April 2011.

"This proves what we can do when we place a high value on maintaining the knowledge, skills and desire to work safely," said John Gallagher, VP refining, U.S. In congratulating the refinery team, John added, "I hope each of you continues to remember, 'If a task can't be done safely, don't do it.'"

During this safe-work period, employees and contractors tackled and completed numerous challenging projects, including complicated excavations, heavy critical lifts and large concrete pours.

### Wholesale and retail facilities are safe and sound, too

Our terminals in Grand Junction and our West Truck Rack in Denver have gone long stretches without an injury. Grand Junction has 15 years of safe operations; the West Truck Rack has eight-plus years.

Our wholesale customers come to 'pull' products such as gasoline and diesel from the Grand Junction terminals and the West Truck Rack. Those facilities act as a bridge between our refinery, where we produce our products, and the retail stations where consumers buy our products.

"I'm extremely proud of our employees, and very lucky to have such diligent teams at both facilities," says Josh Ley, manager of operations & logistics. "Above all else, they have a relentless focus on safety for all of our stakeholders."

In addition, our retail stores have racked up six-plus years without a recordable accident. "That achievement is particularly significant when you consider 13 million people visit our network of 44 stores each year," says Steve Ewing, director of rack forward sales & services.

"We've initiated several safety programs for our vendors and retail support teams," adds Leah Levins, retail team lead. "Products are stacked on shelves under five feet tall, large cones are placed around delivery trucks, and employees wear safety vests when cleaning the property."

### Pipeline earns Wyoming governor's award – again!

For the second consecutive year, Suncor Energy (U.S.A.) Pipeline Company received a Wyoming Governors Award for Safety and Health for their impeccable safety record in 2011.

Award applicants were judged on management leadership and employee involvement; worksite analysis; hazard prevention; hazard control; and safety and health training.

The Pipeline group won in the Small Oil & Gas Industry category.

Although the state award was made in Wyoming, "It's for all our Pipeline employees," says LeRoy Haskins, manager, regulatory compliance and training. In addition to 27 Pipeline employees in Wyoming, four others work in Ft. Lupton and five in Denver.

"These awards signal the investment of the employers in building a legacy of safety embraced by all involved," said Wyoming Governor Matt Mead.

Suncor Energy is proud to be among these leaders.

## Investing in our communities

Suncor has a long-standing reputation for building partnerships with community organizations. We've done so with a variety of grants, donations and sponsorships, and employee volunteerism. Here's a look at three special connections we made in 2012.

### Boys & Girls Clubs of Metro Denver

Roughly 60 Suncor employees and their family members spent a Saturday in August sprucing up the Gates Camp facility of the Boys & Girls Clubs of Metro Denver (BGCMD). Each year, BGCMD offers programming at the camp for its members – most from economically disadvantaged families – so they can experience new activities, learn a variety of new skills and gain new perspectives. What's more, BGCMD members can access this life-changing experience for just \$10 a week.

To mitigate fire danger at the camp, Suncor employees hauled downed trees from the 80-acre site west of Boulder. Other employees lent a hand performing routine maintenance and repairs on cabins and outbuildings.

"This support shows that Suncor and its employees care about people, especially the children who are the future leaders of our community," says Kathy Luna, chief operating officer of BGCMD. "Making a safe environment for the 550



Suncor employees, contractors and family members stretch before sprucing up the Gates Camp facility of the Boys & Girls Clubs of Metro Denver.

or so kids who spend a week in camp each year means the world to us."

Earlier in the year, Suncor committed more than \$1 million to fund a new Boys & Girls Clubs facility in Commerce City.

### Relief from Front Range wildfires

This summer, Suncor and our employees joined firefighters, medical personnel, volunteers and other organizations in responding to our devastating wildfires on the Front Range.

Suncor pledged \$100,000 to the Colorado Fire Relief Fund 2012, which was established by Governor John Hickenlooper. Suncor also donated \$10,000 to the American Red Cross of Wyoming to support disaster relief efforts there.

In addition, our corporate giving arm, the Suncor Energy Foundation, established a Humanitarian Relief Grant to match our employees' pledges of up to \$1,000 per employee. The combined employee donations and matching grants raised \$5,675 to help our neighbors displaced by the wildfires.

### Commerce City Recreation Department

The City of Commerce City honored Suncor by naming us its 2012 Outstanding Community Partner. The award recognizes Suncor's dedication to building partnerships with many local organizations, including the City's Recreation Department.

In 2012, Suncor sponsored the department's annual senior breakfast fundraiser. Money raised from the breakfast benefits the GoodFriends Scholarship program, which helps cover tuition for programs, activities and classes for seniors with limited incomes.

For the second consecutive year, Suncor helped to underwrite the healthy meals for the City's two outreach picnics. In addition, Suncor employees served food to roughly 2,500 residents. These informal outings enable residents and City officials to mingle and exchange ideas about how to continuously improve the quality of life in Commerce City.

"Suncor has been with us all the way," says Michelle Halstead, Commerce City communication director, about Suncor's ongoing support of the City.

## Take the oil sands tour

Despite what you may have heard from anti-oil sands campaigners, what happens in Alberta's north is not a secret we're trying to keep. It's quite the opposite, really.

Not only do we welcome and encourage visitors, we also work with Fort McMurray Tourism to offer guided bus tours of our oil sands operations from late May through September. Anyone, from foreign dignitaries to tourists passing through the province, can visit oil sands production sites. We believe that by visiting, people will see not only the effect of oil sands development but also the enormous economic and engineering achievement that it represents for Canada.

Our hope is that visitors will take away a first-hand understanding of the contribution our sector is making to

keep the wheels of transport turning across North America, and also our efforts to reduce development impacts on Alberta's environment.

But we understand that not everyone can make it to the oil sands in person. That's why we also offer a virtual tour on our website. To get a glimpse into the inner workings of our oil sands site, go to [suncor.com/videos](http://suncor.com/videos) and select Oil Sands Tour.

As of November 2012, Suncor guided 3,393 individuals on 155 tours through our oil sands sites. We are hoping to host more visitors in 2013. Notable attractions include:

- an opportunity to visit the Oil Sands Discovery Centre where you can experience the story of the oil sands from the driver's seat of a 150-tonne truck
- the Aurora Borealis, nature's free light show, which we think beats anything Las Vegas can offer



Oil sands site tours are readily available for those who can (and can't) make the trip.

- reclamation in action, where the former site of a tailings pond is being transformed into a mixed wood forest and small wetland.

So when you consider your summer travel plans, don't discount heading to the Fort McMurray area.

To book your oil sands tour, go to [fortmcmurraytourism.com/tours](http://fortmcmurraytourism.com/tours).

## Canada's Oil Sands Innovation Alliance launched

Canada's Oil Sands Innovation Alliance (COSIA), publicly announced in March, isn't the first industry organization formed to address the environmental challenges of oil sands development, but it does promise to be different than anything we've seen yet.

Founded by Suncor's president and CEO Steve Williams and the leaders of 13 other like-minded oil sands companies, COSIA represents an unprecedented level of collaboration for the industry.

It builds on advancements made by other industry and research development associations, including the Oil Sands Leadership Initiative, the Canadian Oil Sands Network for Research and Development, the Oil Sands Tailings Consortium, and the Petroleum Technology Alliance of Canada. And with multiple companies and associations coming together in this manner, barriers to funding, intellectual property and human resources should be eliminated.

Aside from the magnitude of collaboration, COSIA is different on a few other fronts:

- Oversight of COSIA and work on its focus areas of tailings, water, land and greenhouse gases will come directly from oil sands industry chief executives, who have a knack for getting things done.
- COSIA is a single organization with a clear line of sight to performance improvements, including yet-to-be-determined performance goals for each of the focus areas.
- COSIA will enable industry players to work together to avoid duplication of effort, share collective expertise and build on one another's successes to improve environmental performance and the pace of performance delivery by the industry.
- COSIA also provides better access to key industry players for anyone with ideas or potential solutions for advancing performance in the focus areas.

While COSIA can't claim to be the first organization created to tackle the environmental impacts of oil sands development, we think it is well positioned for success.

For more on COSIA, check out their website at [cosia.ca](http://cosia.ca).



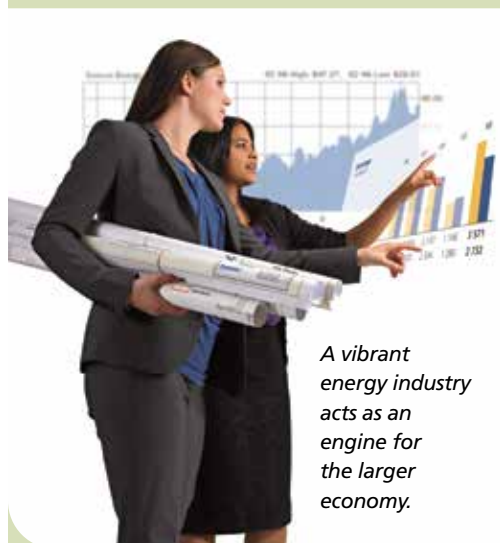
Steve Williams, Suncor's president and CEO, helped launch the alliance March 1 in Calgary.

Photo: COSIA

## What do you think of In Your Community?

Please share your thoughts via the attached postcard or online at [suncor.com/inyourcommunity](http://suncor.com/inyourcommunity)

## We're in it for the long haul



A vibrant energy industry acts as an engine for the larger economy.

Suncor has been working hard to develop energy resources in a way that creates social benefits for our communities, improves environmental performance and generates economic growth:

"If too much emphasis is put on short-term economic gain at the expense of promoting strong communities or a healthy environment, long-term economic costs are almost certain to occur," said Steve Williams, Suncor's president and CEO, in the 2012 Report on Sustainability.

"The economic wealth generated by responsibly developing this resource base provides today's social benefit of good jobs and government revenues – while also generating the investment capital needed to help realize tomorrow's environmental technologies and new energy sources."

The benefits of Suncor's success are reflected in these 2011 numbers:

- Paid \$2.27 billion in royalties. We also paid income taxes of approximately \$900 million to governments in Canada and internationally.
- Capital and exploration expenditures totalled \$6.9 billion in 2011, compared to \$6.0 billion in 2010.
- Our combined spending on goods and services was almost \$10.9 billion.
- We have more than 11,000 vendors spanning all provinces, Northwest Territories, Yukon, the United States and 43 other countries.
- The range of goods and services is extensive and includes heavy equipment, drilling, construction, engineering, environmental services, trucking, chemicals, electrical, and hospitality services.

For more information on Suncor's 2011 results, go to [suncor.com/sustainability](http://suncor.com/sustainability).

## OSQAR celebrates a milestone

Suncor's Oil Sands Question and Response (OSQAR) e-newsletter and blog marked a significant milestone when it published its 100th edition on Sept. 5. To celebrate this achievement we:

- held our first-ever OSQAR live text chat. Hosted on our OSQAR blog, panelists Gord Lambert, Suncor's vice president, sustainability; Ed Whittingham, executive director, Pembina Institute; and David Layzell, executive director, Institute for Sustainable Energy, Environment and Economy; and professor, department of biology, University of Calgary, were on hand to take questions from our readers on oil sands development. To read the chat history, go to [osqar.suncor.com/osqar-live-chat.html](http://osqar.suncor.com/osqar-live-chat.html).

- announced an official OSQAR app. Coming soon for all mobile devices, this new app will make it easier to read OSQAR on the go as well as explore video and photo content related to the oil sands. Watch the OSQAR blog at [osqar.suncor.com](http://osqar.suncor.com) for details on how to get 'OSQAR to go' for your mobile device.

- produced a special OSQAR video. Go behind the scenes with the OSQAR team for a tongue-in-cheek look at how each edition is planned, written and published. To view the video, go to [osqar.suncor.com/a-milestone-for-osqar.html](http://osqar.suncor.com/a-milestone-for-osqar.html).

OSQAR's popularity has grown since the first edition was launched in April 2010. The e-newsletter now has more than 2,000 subscribers and the blog, launched



OSQAR published its 100th edition on Sept. 5, 2012.

in June 2011, attracts about 1,125 readers per week.

Here's what's in store for the next 100 editions: We'll continue tackling controversial oil sands development topics. We'll also continue inviting others to contribute through guest columns, as we believe offering a variety of perspectives facilitates knowledge and encourages fact-based dialogue.

To subscribe to OSQAR, log on to [osqar.suncor.com/subscribe.html](http://osqar.suncor.com/subscribe.html).

Sign up at [www.suncor.com/emailalerts](http://www.suncor.com/emailalerts) to be notified when new *In Your Community* newsletters are available online

This publication contains forward-looking statements identified by words like "expected," "anticipate," "estimate," "plan," "schedule," "goal," "propose," "target" and "strategy". All statements that address expectations or projections about the future, including statements about our strategy for growth, costs, schedules, production volumes, operating and financial results and expected impact of future commitments, are forward-looking statements. These statements are not guarantees of future performance and involve a number of risks and uncertainties, and actual results may differ materially from those expressed or implied. Suncor's Earnings Release, Quarterly Report and Management's Discussion & Analysis for the third quarter of 2012 and its most recently filed annual information form/Form 40-F, annual report to shareholders and other documents it files from time to time with securities regulatory authorities describe the risks, uncertainties, material assumptions and other factors that could influence actual results and such factors are incorporated herein by reference. Copies of these documents are available without charge from Suncor at 150-6 Avenue S.W., Calgary, Alberta T2P 3Y7, by calling 1-800-558-9071, or by email request to [info@suncor.com](mailto:info@suncor.com) or by referring to the company's profile on SEDAR at [www.sedar.com](http://www.sedar.com) or EDGAR at [www.sec.gov](http://www.sec.gov). Except as required by applicable securities laws, Suncor disclaims any intention or obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.